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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/404,518	09/23/1999	STUART SERKIN	09857/030001	8450

26161 7590 07/03/2003

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EXAMINER

PWU, JEFFREY C

ART UNIT	PAPER NUMBER
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3628

DATE MAILED: 07/03/2003

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/404,518

Applicant(s)

MARTYN ET AL.

Examiner

Jeffrey Pwu

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 4/24/2003 amendment.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1,3-14 and 16-20 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1,3-14 and 16-20 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
- Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- 11) ☐ The proposed drawing correction filed on _____ is: a) ☐ approved b) ☐ disapproved by the Examiner.
- If approved, corrected drawings are required in reply to this Office action.
- 12) ☐ The oath or declaration is objected to by the Examiner.

Priority under 35 U.S.C. §§ 119 and 120

- 13) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. _____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- * See the attached detailed Office action for a list of the certified copies not received.
- 14) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. § 119(e) (to a provisional application).
- a) ☐ The translation of the foreign language provisional application has been received.
- 15) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☒ Information Disclosure Statement(s) (PTO-1449) Paper No(s) 10.
- 4) ☐ Interview Summary (PTO-413) Paper No(s). _____
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: _____

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DETAILED ACTION

1. This action is responsive to the amendment, filed 2003-04-24.
2. The disposition of claims is: claims 1, 3-14, and 16-20 are pending as filed.
Claims 1, 11 and 18 are independent.
3. The group art unit of the Examiner handling your case has changed. The new art unit is **3628**. Please use current art unit on all correspondence to help us route your case in a timely fashion.

Claim Rejections - 35 USC § 112

4. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.
5. Claims 1, 11, and 18 recite the limitation "the best bid or best offer" . There is insufficient antecedent basis for this limitation in the claim. It is unclear what is a best bid or a best offer prior matching off a customer's order.
6. Claim 3 and recites the limitation "other quotes" and "the opposite side of the market" in claim 1. There is insufficient antecedent basis for this limitation in the claim.

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7. Claim 8 recites the limitation "the internal book" in claim 1. There is insufficient antecedent basis for this limitation in the claim.
8. Claim 14 and recites the limitation "the opposite side of the market" in claim 1. There is insufficient antecedent basis for this limitation in the claim.
9. Claim 18 recites the limitation "any other priority established". There is insufficient antecedent basis for this limitation in the claim.
10. Claims 13 and 16 recite the limitation "at the side of the market" in claim 11. There is insufficient antecedent basis for this limitation in the claim.
11. Claim 19 recites the limitation "at the side of the market" in claim 18. There is insufficient antecedent basis for this limitation in the claim.

Claim Rejections - 35 USC § 102

12. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless --

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(e) the invention was described in a patent granted on an application for patent by another filed in the United States before the invention thereof by the applicant for patent, or on an international application by another who has fulfilled the requirements of paragraphs (1), (2), and (4) of section 371(c) of this title before the invention thereof by the applicant for patent.

The changes made to 35 U.S.C. 102(e) by the American Inventors Protection Act of 1999 (AIPA) do not apply to the examination of this application as the application being examined was not (1) filed on or after November 29, 2000, or (2) voluntarily published under 35 U.S.C. 122(b). Therefore, this application is examined under 35 U.S.C. 102(e) prior to the amendment by the AIPA (pre-AIPA 35 U.S.C. 102(e)).

13. Claims 1, 3-14, and 16-20 are rejected under 35 U.S.C. 102(e) as being anticipated by *May* (US 6,421,653)

May teaches:

Claim 1. A method of executing an order in a market system comprises:

receiving an order from a customer of a market participant (fig.12; order form);
for the order, checking if a market participant identification associated with the order from the customer matches a market participant identification representing a quote in the system which is at the best bid or best offer price in the system; and if the market participant identification matches the market participant identification representing a best bid or offer quote in the system (col.9, lines 31-53);

matching off the customer order against the one of the best bid or best offer quote of the matching market participant identification that is at the opposite side of the market irrespective of any other priority established for matching orders in the system (col.12, lines 27-64; fig.32).

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Claim 2. (canceled)

Claim 3. The method of claim 1 wherein matching-off the order without regard to any priority is with respect to a time priority of other quotes in the system, at the opposite side of the market to the customer order (see order management functions, “to facilitate the canceling or temporarily suspending the order” col.35, line 3-col.36, line 28).

Claim 4. The method of claim 1 further comprising:

calling a cancel request to cancel a quote at the side of the market in which a matched off order will be executed (“order management function”; col.35, lines 48-52).

5. The method of claim 1 further comprising:

calling a cancel request prior to matching off the order to cancel a quote at the side of the market at which an matched off order will be executed (“order management function”; col.35, lines 48-52).

6. The method of claim 1 further comprises routing the order to a market participant corresponding to said market participant that has the one of the best bid or best offer that is at the opposite side of the market (see “order management”).

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7. The method of claim 1 wherein the customer order is checked against proprietary quotes and agency quotes of a market participant identification representing a quote in the system which is at the best bid or best offer (method steps of fig.12).

8. The method of claim 1 further comprising:
receiving the internal book of the market participant to match-off against the market participant's posted agency or proprietary quotes (method steps of fig.12)..

9. The method of claim 1 wherein receiving a customer order further comprises: receiving the order via an order execution system (fig.12).

10. The method of claim 1 wherein receiving a customer order further comprises: receiving the order via a negotiation order entry system (figs.18 & 19).

11. A market system comprises:
an order execution process that receives orders and matches orders against quotes posted in the system on a time priority basis (figs.24-29);
an order match-off process that checks if a market participant identification associated with a received customer order matches a market participant identification

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representing a quote in the system that is at the best bid or best offer price in the system and if the market participant identification matches the market participant identification representing a best bid or offer quote in the system, matches off the customer order against the one of the best bid or best offer quote of the matching market participant identification that is at the opposite side of the market irrespective of an other priority established for matching orders in the system (col.9, lines 31-53; fig.29).

12. The system of claim 11 wherein the order match-off process further comprises: a process to execute the order against the one of the best bid or best offer that is at the opposite side of the market (col.35, lines 48-52).

13. The system of claim 11 further comprising:
a process to request a cancellation of a quote at the side of the market in which an internalized order will be executed (col.35, lines 48-52).

14. The system of claim 11 further comprising:
a routing process to route an order to a market participant corresponding to the participant that has the one of the best bid or best offer that is at the opposite side of the market (fig 26).

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15. (canceled)

16. The system of claim 11 further comprising:

a process to request a cancellation of a quote at the side of the market in which an internalized order will be executed (col.35, lines 48-52).

17. The system of claim 11 further comprising:

a routing process to route an order to a market participant corresponding to the participant that has the one of the best bid or best offer that is at the opposite side of the market (see order management).

18. A computer program product for operating a market system comprises instructions for causing a computer to: receive orders and match orders against quotes posted in the system on a time priority basis (fig.29, steps 600-608);

check if a market participant identification associated with a received customer order matches a market participant identification representing a quote in the system that is at the best bid or best offer price in the system (fig.30, steps 620-634); and

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match off the received customer order against the quote of the matching market participant identification at the opposite side of the market irrespective of any other Priority established for matching orders in the system (col.9, lines 31-53; fig.29)..

19. The computer program product of claim 18 further comprising instructions to: request a cancellation of a quote at the side of the market in which an internalized order will be executed (col.35, lines 48-52).

20. The computer program product of claim 18 further comprising instructions to: route the order to a market participant corresponding to the participant that has the one of the best bid or best offer that is at the opposite side of the market (see order management).

Response to Arguments

14. Applicant's arguments with respect to claims 1, 3-14, and 16-20 have been considered but are moot in view of the new ground(s) of rejection.

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Conclusion

15. Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire **THREE MONTHS** from the mailing date of this action. In the event a first reply is filed within **TWO MONTHS** of the mailing date of this final action and the advisory action is not mailed until after the end of the **THREE-MONTH** shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than **SIX MONTHS** from the date of this final action.

16. Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the Group receptionist whose telephone number is (703) 308-1065.

Jeffrey Pwu



28 June 2003

**JEFFREY PWU
PRIMARY EXAMINER**